

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1209-01
Bill No.: HJR 18
Subject: Counties; Constitutional Amendments; Taxation and Revenue-Property; Veterans
Type: Original
Date: March 30, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$0	(\$38,670)	\$0
Total Estimated Net Effect on General Revenue Fund	\$0	(\$38,670)	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTIONS

Officials from the **Cole County Assessor's Office** assume this proposal would have no impact on their office or on political subdivisions in Cole County since property owned by veterans' organizations is not currently being assessed or taxed.

Officials from the office of the **Secretary of State (SOS)** stated that statewide newspaper publication of constitutional amendments cost approximately \$1,289 per column inch per publication date based on an estimate provided by the Missouri Press Service. The SOS estimated this proposal would require 15 column inches including title header and certification paragraph, for three required publications. ($(\$1,289 \times 3 = \$3,867) \times 15 = \$58,005$). Estimated costs are based on 2004 figures and subject to change.

Oversight assumes that the publication cost for this proposal would be the same as for a similar proposal in this session, and has shown the same cost.

Officials from the **Department of Public Safety, Office of the Adjutant General and Missouri Veterans Commission**, and the **Department of Revenue** assume this proposal would have no impact on their organizations.

ASSUMPTIONS (continued)

In response to a similar proposal in the prior session, officials from the **Office of Administration, Division of Budget and Planning** and **Division of Design and Construction**, and the **Office of the Attorney General**, assumed the proposal would have no impact on their organizations.

Officials from the **State Tax Commission** assume this proposal would reduce tax revenues for political subdivisions, but they are unable to estimate the impact of this proposal because they do not have any information regarding the number of veterans' organizations or the amounts of taxable property they own.

Oversight assumes the proposal would be submitted to the voters in November 2006. Oversight also assumes that if the voters approved the constitutional amendment, there would be an unknown reduction in political subdivision tax revenues, and an impact to the state Blind Pension Fund of approximately one-half of one percent of the impact to political subdivisions. Any impact to tax revenues would begin in FY 2008 since 2006 taxes collected in FY 2007 would already be determined before the November 2006 election.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND			
<u>Cost - Secretary of State</u>			
Publication cost	<u>\$0</u>	<u>(\$38,670)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>(\$38,670)</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would submit to the voters an amendment to the state constitution to exempt property owned by veterans' organizations from property taxation. The amendment would be submitted to the voters in the November 2006 general election, or at a special election to be called by the governor.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State
Department of Public Safety
 Office of the Adjutant General
 Missouri Veterans' Commission
Department of Revenue
State Tax Commission
Office of the Cole County Assessor



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Director
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